

SNIE 50-64

Short-Term Prospects in Southeast Asia

12 February 1964

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SPECIAL NATIONAL INTELLIGENCE ESTIMATE

SHORT-TERM PROSPECTS IN SOUTHEAST ASIA

NOTE: This is an advance copy of the estimate as approved by the United States Intelligence Board. The printed text will be circulated within five days of this issuance.

Central Intelligence Agency

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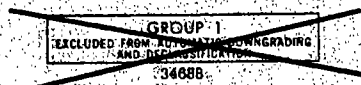
Submitted by the
DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, Defense, the Army, the Navy, the Air Force, and NSA.

Concurred in by the
UNITED STATES INTELLIGENCE BOARD

on 12 February 1964. Concurring were the Director of Intelligence and Research, Department of State; The Director, Defense Intelligence Agency; the Assistant Chief of Staff for Intelligence, Department of the Army; the Assistant Chief of Naval Operations (Intelligence), Department of the Navy; the Assistant Chief of Staff, Intelligence, USAF; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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CENTRAL INTELLIGENCE AGENCY

12 February 1964

SUBJECT: SNIE 50-64: SHORT-TERM PROSPECTS IN SOUTHEAST
ASIA

THE PROBLEM

To assess the present state of affairs in South Vietnam and Laos, its relation to developments elsewhere in Southeast Asia, and the prospects for the next few months.

CONCLUSIONS

Certain signs of new North Vietnamese and Chinese Communist military activities, together with an upsurge of Viet Cong activity in South Vietnam, recent Viet Cong successes there, and recent Communist advances in Laos, raise the question whether the situations in South Vietnam and Laos may be on the verge of collapse. After carefully reviewing the evidence, we believe:

- a. That the situation in South Vietnam is very serious, and prospects uncertain. Even with US assistance approximately

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as it is now, we believe that, unless there is a marked improvement in the effectiveness of the South Vietnamese Government and armed forces, South Vietnam has at best an even chance of withstanding the insurgency menace during the next few weeks or months.

b. That if present trends in Laos are not checked, there will be continued erosion of non-Communist military and political positions there. The situation may deteriorate rapidly, and it could take a turn which would further improve the Viet Cong position in South Vietnam.

c. That dramatic new Chinese Communist intervention in Vietnam or Laos is unlikely. North Vietnam, however, is stepping up its support of the Pathet Lao, and may do so for the Viet Cong -- perhaps with some increase of Chinese Communist material assistance. The Communist hope in South Vietnam would be to gain sufficient quick victories before General Khanh's new government could bring its full military potential to bear, to undermine the South Vietnamese will to

- 2 -

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resist, and to induce the US to consider a negotiated settlement its only feasible option.

d. That developments elsewhere in Southeast Asia, save in Cambodia, have thus far had little impact on those in Vietnam and Laos. However, the outcome of the present war in South Vietnam will have a serious effect on the future willingness of governments in Southeast Asia to adopt anti-Communist, rather than neutralist, stances.

THE ESTIMATE

South Vietnam

1. The situation in South Vietnam has been serious for a long time and has undergone additional deterioration in recent months. The Viet Cong forces have exploited dislocations caused by the November and January coups. General Minh's regime was forced to busy itself with needed reassessments of the Government of Vietnam's counterinsurgency program, with new planning, and with extensive housecleaning: the military chain of command was reordered at all levels, virtually every province chief was changed, and so, too, were many district chiefs. Just when these moves were beginning

- 3 -

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to show some promising results, General Khanh upset the scene once more. His regime has not been in power long enough to demonstrate whether it can prosecute the war effort vigorously and effectively.

2. Meanwhile there has been a definite improvement in the Viet Cong forces' organization and armament. The Viet Cong have also become increasingly aggressive and are employing somewhat larger units in their attacks. They have improved the techniques and effectiveness of their operations to meet the increased US effort begun in 1961; in particular they have effectively exploited the weaknesses of the strategic hamlet program. The current high level of Viet Cong military activity is not unprecedented. In the past, however, upsurges of activity have been followed by lulls for resupply, regrouping, and reorientation. This occurred in December 1963 after a flare-up in the wake of the Minh coup, and we believe that it will occur again -- indeed the Viet Cong have already announced that there will be a temporary lull during the Tet (lunar new year) holiday. On the other hand, with their improved capabilities, the Viet Cong may be able to continue intensified activity for considerably longer than before. They would be particularly likely to do so if they

- 4 -

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came to believe that their efforts were significantly reducing the morale and will of their opponents, so that a major push would lead rapidly to outstanding political or psychological successes.

3. Since 1940, no central government has been in effective control of all South Vietnam's territory. During the past decade, the Viet Cong have had considerable success in intimidating or gaining support among the South Vietnamese peasantry, and the people feel little sense of identification with Saigon authority. Thus any Saigon regime will find itself faced with a difficult task. It is clear that the future depends very heavily on General Khanh's ability to bring his country's considerable assets to bear, and to begin registering visible military and political progress. He has but a short period of grace in which to do so, if he is to forestall an upsurge in war-weariness and defeatist sentiment. Any further Saigon coups would seriously prejudice realistic hope of containing the Viet Cong insurgency. Moreover, the government's position would be damaged if a key unit or area commander should switch sides or make a personal accommodation with the Viet Cong. The situation in South Vietnam is very serious, and prospects uncertain. Even with US assistance approximately as it is now, we believe that, unless there is a marked

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improvement in the effectiveness of the South Vietnamese Government and armed forces, South Vietnam has at best an even chance of withstanding the insurgency menace during the next few weeks or months.

4. We can expect increased neutralist talk inside and outside South Vietnam. Much of this will be inspired by French efforts, exerted through official, commercial, and private channels, to convert South Vietnamese military leaders to the view that further military resistance is foolhardy. Some of these leaders may urge a neutralist "solution" on Khanh, or attempt to overthrow him, but we doubt that they would succeed, or that neutralist sentiment would have a crucially depressant effect upon the morale of military units or of the South Vietnamese government -- unless either the Viet Cong should suddenly achieve a considerable number of dramatic and major victories, or the Saigon regime should come to believe that there was a lessening of US determination to prevent a Communist takeover.

Laos

5. There has been an increase of direct North Vietnamese participation in recent Communist Pathet Lao military activities,

- 6 -

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and there are indications that such participation will continue. The fact that no sharp US reaction has yet occurred to recent Communist advances may have emboldened Pathet Lao and North Vietnamese leaders. Both the neutralist and rightist political camps in Laos continue to fragment, the chances of coups against Premier Souvanna Phouma are on the rise, and his government's influence in the countryside continues to shrink. If present trends in Laos are not checked, there will be further erosion of the non-Communist military and political position there. The Laos situation may deteriorate rapidly, and it could take a turn which would further improve the Viet Cong position in South Vietnam.

Developments Elsewhere in Southeast Asia

6. There are indications of increased Chinese Communist material support to Hanoi, and of some new Chinese Communist military activity in southern China, but we do not interpret these as presaging any dramatic new Chinese Communist intervention in Laos or Vietnam within the near future. The Franco-Chinese rapprochement and French championing of neutralization are having an impact in Southeast Asian capitals, as well as complicating the situation in

- 7 -

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Vietnam. Sihanouk's maneuvers, too, considerably affect the major shows in Vietnam and Laos. He will continue to press for an international guarantee of his country's neutrality, and will probably make his way to closer relations with Hanoi and Peiping. US influence with him, already slight, will accordingly lessen.

7. Developments elsewhere in Southeast Asia will continue to have little direct effect on events in Vietnam and Laos. This is not to say that these developments are not important for the US, especially those deriving from Sukarno's aggressiveness. Post-Sarit politics in Thailand, fairly stable thus far, may revert to coup/counter-coup patterns before very long, but we see no one among the probable contenders for power who would be likely to make a decisive alteration in Thailand's external orientation, provided that Bangkok remains confident of US support and US determination to defend its allies in Southeast Asia. Chronic instability remains the order of the day in Burma; but, aside from some inclination on the part of Rangoon not to cross Peiping's will, Burmese developments do not seem likely to have much impact beyond Burma's own frontiers.

- 8 -

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Significance for the US

8. Turbulence has been endemic in Southeast Asia since the end of World War II. There will be numerous further crises in the area, many of them the product of causes other than Communist scheming. Nevertheless, the course of developments will depend, in important measure, on US actions concerning South Vietnam and on what local Asian leaders conceive US policy there to be. The struggle for South Vietnam will be a test, crucial for much of Southeast Asia, of US ability and will to preserve and protect anti-Communist regimes in the area -- and, hence, of the feasibility of going along with the US response to Communist pressures rather than of opting for some other course such as an attempt to negotiate livable settlements with the Communists. If the US were to indicate interest in negotiating a settlement in South Vietnam, the idea of accommodation with Communist forces in the area would spread.

- 9 -

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